This record is a partial extract of the original cable. The full text of the original cable is not available.

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SIPDIS

NEA/ARPI PASS TO USTR

E.O. 12958: DECL: 04/12/2010
TAGS: ECON ETRD EU PREL KU
SUBJECT: EU TRADE COMMISSIONER CRITICAL OF GCC STATE
BILATERAL FTAS

Classified By: Ambassador Richard LeBaron, reasons 1.4 (b) and (d)

- 11. (C) During consultations on a variety of issues with my EU counterparts today, they advised that during the recent EU/GCC Ministerial in Bahrain, the EU Commissioner for Trade criticized GCC members for pursuing bilateral free trade agreements with the U.S.

 Peter Mandelson reportedly upbraided the Bahrainis and the Omanis for their agreement or pursuit of an FTA with the U.S.

 The Omanis subsequently were very dismissive of the proposed "EU Strategic Partnership with the Mediterranean and the Middle East," which some attributed to the EU's attitude about bilateral FTAs, although they also said that the "Strategic Partnership" went over badly in general with GCC members.
- 12. (C) Mandelson's displeasure made its way into the communique issued at the end of the 5 April meeting in Bahrain. The text reads: "The European Union conveyed its view regarding bilateral free trade agreements by individual states with other third countries. The EU considers regional economic integration processes as important instruments for peace, stability, and prosperity." According to one participant, the word "view" had been watered down from "concern" in an earlier draft.
- 13. (C) The EU group with whom I met did not include a Commission rep, and their views were tempered by some skepticism about when, if ever, the EU/GCC negotiations will bear fruit, given their fifteen plus year history. The two sides agreed in Bahrain to do everything they can to finalize the text by the end of the year, but, as one Ambassador said, "We've heard that before."

 LEBARON